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ATT : Chief, Intelligence Information Staff, ORR  
 25X1A9a

TRFU : Chief, Services Division  
 Chief, Trade Controls Branch

24 February 1959

**Contributions to OCI Periodic Requirements List (PRL) for Western and Northern Europe, 1 April-31 July 1959**

I. There are several requirements submitted for the 1 December 1957-31 March 1958 list in which S/TD still has a continuing interest and wishes to have retained in the present list. Two new requirements are also included. The item numbers recommended for retention correspond with those given to the paragraphs as enumerated in memo of 1 December 1958 to Chief, Intelligence Information Staff from Chief, Trade Controls Branch on the subject "Contributions to OCI Periodic Requirements List - Western and Northern Europe - 1 December 1957-31 March 1958."

Austria

D. East-West Trade

Retain item 1. (a) and (b); add the following:

2. Austrian traders operating clandestinely through Switzerland and Yugoslavia have become much more active during recent months in supplying numerous U. S. origin materials to the USSR and Communist China. Significant diversions or attempted diversions reported during this period include U. S. Jeeps, aircraft equipment and mining gear. It is believed likely that many of the traders are, at least, informally connected through ownership or control of trading firms. Their use of Swiss and Yugoslav "fronts" appears to be designed to mask larger operations by the firms concerned, and to cloak the actual destination of the shipments.

a. Indicate any recent information which indicates increased use of Austria for transit of clandestine shipments to the Bloc. Identify the firms and individuals involved in such trade. Provide reasons for the increased activity of Austrian East-West traders. (C)

b. Identify foreign firms used to cloak illegal operations by Austrian traders (e.g. Etob. Minex Trust, Vaduz, Liechtenstein.) Report any illegal transactions involving such firms in the greatest possible detail (C)

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- c. Establish relationships between Austrian East-West traders, especially if a single firm or individual can be identified as controlling the operations of others. (C)

Finland

## D. East-West Trade

Retain item 3 (a).

France

## D. East-West Trade

Add the following:

1. Poland, Czechoslovakia and Hungary reportedly have recently placed orders for embargoed type microwave equipment from the SOCIETE FRANCAISE RADIO-ELECTRIQUE (SFR) of Paris (cable address TELEONE). SFR is an affiliate of the COMPAGNIE GENERALE DE TELEGRAPHIE SANTE (cable address TELEAVI).

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[REDACTED] cited SFR as one of the Western firms involved in supplying embargoed communications equipment to the Sino-Soviet Bloc. One method described by source as proposed by SFR for delivering these goods to Hungary was to include embargoed link equipment in a larger shipment of non-embargoed items such as television studio equipment.

- a. Develop information as to whether SFR is shipping the above mentioned microwave equipment or other embargoed type telecommunications or electronic equipment to the Sino-Soviet Bloc. (C)

Italy

## D. East-West Trade

Substitute the following for item 1 (a):

- i. Diversion of Italian origin bananas to the Soviet Bloc has been under extensive investigation recently. In view of the enforcement activities of U. S., Italian, and Swedish officials, diverters may develop new techniques or possibly new sources of supply. Recent information concerning shipments of bananas from the firm LANTARELLO, Italy's largest exporter of bananas, indicates the development of a new large-scale diversion pattern via Syria and/or Spain to the Bloc.

- a. Provide all available background concerning new plans or operations by trading firms, including the above-mentioned diversion pattern via Syria and/or Spain, identifying the identity

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of all firms and individuals involved, the routing and transportation facilities used, and the methods utilized for evading Italian or other Western countries' security trade controls. (C)

Retain item 2 (a).

The Netherlands

D. East-West Trade

Retain item 1 (a).

Norway

D. East-West Trade

Add the following:

1. A Norwegian East-West trader, Knut A. Bach of Oslo, was reportedly involved in a diversion of 300 Willys Jeeps to Communist China via Yugoslavia. Only recently, another attempt was reported by a Yugoslav firm to divert 300 Willys Jeeps via Austria. In view of the size of the diversion, an investigation is being initiated to discover a tie-in between the two diversion attempts.

a. Provide details on the Bach diversion attempt, with major emphasis on connecting the firm or the specific transaction with Yugoslav, French, Belgian and Austrian traders. (C)

b. Report any attempts by Norwegian traders to obtain control of, or to ship large quantities of jeeps. Indicate parties of interest and intended destinations. (C)

Sweden

D. East-West Trade

Retain item 1 (a).

Switzerland

D. East-West Trade

Retain 1 (a).

Austria

D. East-West Trade

Retain item 1 (a), (b), and (c).

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West Germany

D. East-West Trade

Retain item 1 (a) and (b).

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Distribution:

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1 - Requirements

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